

CONSOLIDATED CABLE VISION, INC.
507 S. Main, P.O. Box 1408
Dickinson, ND 58602-1408

April 18, 2005

Ms. Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

via electronic filing

Re: American Cable Association Petition for Rulemaking, RM-11203

Dear Ms. Dortch:

On behalf of Consolidated Cable Vision, Inc., "Consolidated" hereafter, I write to express our strongest support for ACA's petition for rulemaking on retransmission consent. Consolidated is an independent cable company that serves customers in smaller, rural areas, and I can verify that the petition accurately describes the upcoming retransmission consent crisis. To the extent that broadcasters in our area charge us for retransmission we may be forced to charge an additional \$4 to \$5 per subscriber per month for basic cable to cover these new demands of cash for carriage. ACA's solution to this problem is pro-competition, pro-consumer, and deregulatory. It will benefit the consumers served by Consolidated and will help keep down the costs of basic cable.

Provided below is some information about Consolidated and why we think the Commission needs to grant ACA's petition.

Company background

Consolidated operates one headend serving a total of 5,250 customers in rural North Dakota. We have invested \$4 million over the last 2 years in upgrading our system. We provide digital cable and broadband services. DBS competition has been a strong competitor in our markets, taking subscribers and making it difficult to increase rates. At the same time, programming costs have increased far ahead of inflation- approximately a 10% increase per year for the last five years, with some specific programming costs increasing over 20% per year.

The broadcasters' potential demands for several more dollars per month present a major problem. Even a minimal charge of \$0.50 per subscriber per month by each broadcaster in our area would have to be passed on to the consumer because our margins are already stretched thin. Customers will be angry and some will drop our service. Those that do not will have to pay up to several dollars more for basic cable.

Why we support ACA's Petition

Basically, all that ACA asks for is a right for us to shop and only when a broadcaster demands a price for retransmission consent. In our markets this will work to lower the cost of retransmission consent for our customers.

Alternate network programming at a lower cost from other broadcasters is available by receiving signals from neighboring markets. If the broadcasters in our market know alternatives exist it forces them to truly negotiate with us on price. The existence of competitive alternatives works in negotiating every type of transaction, and it will work in retransmission consent.

As stated in the petition, the problem is not that broadcasters demand a "price" for retransmission consent. The problem is that they block our ability to find lower-cost alternatives. The petition shows how this problem will easily cost consumers and smaller cable operators upwards of \$1 billion next year. In Consolidated's markets, broadcasters' demands could potentially cost the company and its subscribers \$190,000.00 per year even if only a \$0.75 per subscriber per month fee is charged by each broadcaster.

By making the limited changes requested by ACA, the Commission will bring some market discipline to retransmission consent "pricing." This will help to keep our costs down and will benefit our consumers.

Our concern for localism

As a final point, we want the Commission to know that we support local broadcasting and prefer to carry our local broadcasters. Local news and local weather reports are critical in rural areas. Our customers depend on these sources of information for the livelihood and for their safety. We understand the importance of local programming but we also understand how much our customers are willing to pay for it. The problem is the high prices being demanded by the owners of these stations and our inability to effectively negotiate with them. Most often the owners are based in corporate headquarters hundreds or thousands of miles away. Frankly, they don't care about localism. They just want our customers' money.

We fully support a fair exchange of value for carriage of local signals. But when broadcasters demand a "price" we need the ability to "shop" to get a "price" that fairly reflects the value of the signal. Please act on ACA's Petition as soon as you can.

Sincerely,

_____/s/____

Paul Schuetzler

GM/CEO

Consolidated Cable Vision, Inc.

